

Calendar No. 545107TH CONGRESS
2^D SESSION**S. 2335****[Report No. 107-236]**

To establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 25, 2002

Mr. JOHNSON (for himself, Mr. KERRY, Ms. CANTWELL, Mr. WELLSTONE, Mr. DASCHLE, Mr. BAUCUS, Mr. INOUE, Mr. BINGAMAN, Ms. STABENOW, Mrs. CLINTON, Mr. SMITH of Oregon, Mr. AKAKA, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

AUGUST 1, 2002

Reported by Mr. KERRY, with amendments

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Native American Small
3 Business Development Act”.

4 **SEC. 2. NATIVE AMERICAN SMALL BUSINESS DEVELOP-**
5 **MENT PROGRAM.**

6 The Small Business Act (15 U.S.C. 631 et seq.) is
7 amended—

8 (1) by redesignating section 36 as section 37;
9 and

10 (2) by inserting after section 35 the following:

11 **“SEC. 36. NATIVE AMERICAN SMALL BUSINESS DEVELOP-**
12 **MENT PROGRAM.**

13 “(a) DEFINITIONS.—In this section—

14 “(1) the term ‘Alaska Native’ has the same
15 meaning as the term ‘Native’ in section 3(b) of the
16 Alaska Native Claims Settlement Act (43 U.S.C.
17 1602(b));

18 “(2) the term ‘Alaska Native corporation’ has
19 the same meaning as the term ‘Native Corporation’
20 in section 3(m) of the Alaska Native Claims Settle-
21 ment Act (43 U.S.C. 1602(m));

22 “(3) the term ‘Assistant Administrator’ means
23 the Assistant Administrator of the Office of Native
24 American Affairs established under subsection (b);

1 “(4) the terms ‘center’ and ‘Native American
2 business center’ mean a center established under
3 subsection (c);

4 ~~“(5) the term ‘Native American business devel-~~
5 ~~opment center’ means an entity providing business~~
6 ~~development assistance to federally recognized tribes~~
7 ~~and Native Americans under a grant from the Mi-~~
8 ~~nority Business Development Agency of the Depart-~~
9 ~~ment of Commerce;~~

10 “(65) the term ‘Native American small business
11 concern’ means a small business concern that is
12 owned and controlled by—

13 “(A) a member of an Indian tribe or tribal
14 government;

15 “(B) an Alaska Native or Alaska Native
16 corporation; or

17 “(C) a Native Hawaiian or Native Hawai-
18 ian organization;

19 “(76) the term ‘Native Hawaiian’ has the same
20 meaning as in section 625 of the Older Americans
21 Act of 1965 (42 U.S.C. 3057k);

22 “(87) the term ‘Native Hawaiian organization’
23 has the same meaning as in section 8(a)(15) of this
24 Act;

1 “(98) the term ‘tribal college’ has the same
2 meaning as the term ‘tribally controlled college or
3 university’ has in section 2(a)(4) of the Tribally
4 Controlled Community College Assistance Act of
5 1978 (25 U.S.C. 1801(a)(4));

6 “(109) the term ‘tribal government’ has the
7 same meaning as the term ‘Indian tribe’ has in sec-
8 tion 7501(a)(9) of title 31, United States Code; and

9 “(1110) the term ‘tribal lands’ means—

10 “(A) all lands within the exterior bound-
11 aries of any Indian reservation; and

12 “(B) all dependent Indian communities.

13 “(b) OFFICE OF NATIVE AMERICAN AFFAIRS.—

14 “(1) ESTABLISHMENT.—There is established
15 within the Administration the Office of Native
16 American Affairs, which, under the direction of the
17 Assistant Administrator, shall implement the Admin-
18 istration’s programs for the development of business
19 enterprises by Native Americans.

20 “(2) PURPOSE.—The purpose of the Office of
21 Native American Affairs is to assist Native Amer-
22 ican entrepreneurs to—

23 “(A) start, operate, and grow small busi-
24 ness concerns;

1 “(B) develop management and technical
2 skills;

3 “(C) seek Federal procurement opportuni-
4 ties;

5 “(D) increase employment opportunities
6 for Native Americans through the start and ex-
7 pansion of small business concerns; and

8 “(E) increase the access of Native Ameri-
9 cans to capital markets.

10 “(3) ASSISTANT ADMINISTRATOR.—

11 “(A) APPOINTMENT.—The Administrator
12 shall appoint a qualified individual to serve as
13 Assistant Administrator of the Office of Native
14 American Affairs in accordance with this para-
15 graph.

16 “(B) QUALIFICATIONS.—The Assistant
17 Administrator appointed under subparagraph
18 (A) shall have—

19 “(i) knowledge of the Native Ameri-
20 can culture; and

21 “(ii) experience providing culturally
22 tailored small business development assist-
23 ance to Native Americans.

24 “(C) EMPLOYMENT STATUS.—The Assist-
25 ant Administrator shall be a Senior Executive

1 Service position under section 3132(a)(2) of
2 title 5, United States Code, and shall serve as
3 a noncareer appointee, as defined in section
4 3132(a)(7) of title 5, United States Code.

5 “(D) RESPONSIBILITIES AND DUTIES.—

6 The Assistant Administrator shall—

7 “(i) administer and manage the Na-
8 tive American Small Business Development
9 program established under this section;

10 “(ii) recommend the annual adminis-
11 trative and program budgets for the Office
12 of Native American Affairs;

13 “(iii) establish appropriate funding
14 levels;

15 “(iv) review the annual budgets sub-
16 mitted by each applicant for the Native
17 American Small Business Development
18 program;

19 “(v) select applicants to participate in
20 the program under this section;

21 “(vi) implement this section; and

22 “(vii) maintain a clearinghouse to pro-
23 vide for the dissemination and exchange of
24 information between Native American busi-
25 ness centers.

1 “(E) CONSULTATION REQUIREMENTS.—In
 2 carrying out the responsibilities and duties de-
 3 scribed in this paragraph, the Assistant Admin-
 4 istrator shall confer with and seek the advice
 5 of—

6 “(i) Administration officials working
 7 in areas served by Native American busi-
 8 ness centers and Native American business
 9 development centers;

10 “(ii) the Bureau of Indian Affairs of
 11 the Department of the Interior;

12 “(iii) *Native American business cen-*
 13 *ters;*

14 “(iiii) tribal governments;

15 “(i~~v~~) tribal colleges;

16 “(v~~i~~) Alaska Native corporations;

17 and

18 “(vi~~vii~~) Native Hawaiian organiza-
 19 tions.

20 “(c) NATIVE AMERICAN SMALL BUSINESS DEVELOP-
 21 MENT PROGRAM.—

22 “(1) AUTHORIZATION.—

23 “(A) IN GENERAL.—The Administration,
 24 through the Office of Native American Affairs,
 25 shall provide financial assistance to tribal gov-

1 ernments, tribal colleges, Native Hawaiian or-
2 ganizations, and Alaska Native corporations to
3 create Native American business centers in ac-
4 cordance with this section.

5 “(B) RESOURCE ASSISTANCE.—The Ad-
6 ministration may also provide in-kind resource
7 assistance to Native American business centers
8 located on tribal lands. Such assistance may
9 include—

10 “(i) personal computers;

11 “(ii) graphic workstations;

12 “(iii) CD-ROM technology and inter-
13 active videos;

14 “(iv) distance learning business-re-
15 lated training courses;

16 “(v) computer software; and

17 “(vi) reference materials.

18 “(C) USE OF FUNDS.—The financial and
19 resource assistance provided under this sub-
20 section shall be used to overcome obstacles im-
21 peding the creation, development, and expan-
22 sion of small business concerns, in accordance
23 with this section, by—

24 “(i) reservation-based American Indi-
25 ans;

1 “(ii) Alaska Natives; and

2 “(iii) Native Hawaiians.

3 “(2) 5-YEAR PROJECTS.—

4 “(A) IN GENERAL.—Each Native Amer-
5 ican business center that receives assistance
6 under paragraph (1)(A) shall conduct 5-year
7 projects that offer culturally tailored business
8 development assistance in the form of—

9 “(i) financial education, including
10 training and counseling in—

11 “(I) applying for and securing
12 business credit and investment cap-
13 ital;

14 “(II) preparing and presenting fi-
15 nancial statements; and

16 “(III) managing cash flow and
17 other financial operations of a busi-
18 ness concern;

19 “(ii) management education, including
20 training and counseling in planning, orga-
21 nizing, staffing, directing, and controlling
22 each major activity and function of a small
23 business concern; and

24 “(iii) marketing education, including
25 training and counseling in—

1 “(I) identifying and segmenting
2 domestic and international market op-
3 portunities;

4 “(II) preparing and executing
5 marketing plans;

6 “(III) developing pricing strate-
7 gies;

8 “(IV) locating contract opportu-
9 nities;

10 “(V) negotiating contracts; and

11 “(VI) utilizing varying public re-
12 lations and advertising techniques.

13 “(B) BUSINESS DEVELOPMENT ASSIST-
14 ANCE RECIPIENTS.—The business development
15 assistance under subparagraph (A) shall be of-
16 fered to prospective and current owners of small
17 business concerns that are owned by—

18 “(i) American Indians or tribal gov-
19 ernments, and located on or near tribal
20 lands;

21 “(ii) Alaska Natives or Alaska Native
22 corporations; or

23 “(iii) Native Hawaiians or Native Ha-
24 waiian organizations.

1 “(3) FORM OF FEDERAL FINANCIAL ASSIST-
2 ANCE.—

3 “(A) DOCUMENTATION.—

4 “(i) IN GENERAL.—The financial as-
5 sistance to Native American business cen-
6 ters authorized under this subsection may
7 be made by grant, contract, or cooperative
8 agreement.

9 “(ii) EXCEPTION.—Financial assist-
10 ance under this subsection to Alaska Na-
11 tive corporations or Native Hawaiian orga-
12 nizations may only be made by grant.

13 “(B) PAYMENTS.—

14 “(i) TIMING.—Payments made under
15 this subsection may be disbursed—

16 “(I) in a single lump sum or in
17 periodic installments; and

18 “(II) in advance or after costs
19 are incurred.

20 “(ii) ADVANCE.—The Administration
21 may disburse, *in advance*, not more than
22 25 percent of the annual amount of Fed-
23 eral financial assistance awarded to a Na-
24 tive American small business center after
25 notice of the award has been issued.

1 “(iii) NO MATCHING REQUIREMENT.—
2 The Administration shall not require a
3 grant recipient to match grant funding re-
4 ceived under this subsection with non-Fed-
5 eral resources as a condition of receiving
6 the grant.

7 “(4) CONTRACT AND COOPERATIVE AGREE-
8 MENT AUTHORITY.—A Native American business
9 center may enter into a contract or cooperative
10 agreement with a Federal department or agency to
11 provide specific assistance to Native American and
12 other under-served small business concerns located
13 on or near tribal lands, to the extent that such con-
14 tract or cooperative agreement is consistent with the
15 terms of any assistance received by the Native
16 American business center from the Administration.

17 “(5) APPLICATION PROCESS.—

18 “(A) SUBMISSION OF A 5-YEAR PLAN.—
19 Each applicant for assistance under paragraph
20 (1) shall submit a 5-year plan to the Adminis-
21 tration on proposed assistance and training ac-
22 tivities.

23 “(B) CRITERIA.—

24 “(i) IN GENERAL.—The Administra-
25 tion shall evaluate and rank applicants in

1 accordance with predetermined selection
2 criteria that shall be stated in terms of rel-
3 ative importance.

4 “(ii) PUBLIC NOTICE.—The criteria
5 required by this paragraph and their rel-
6 ative importance shall be made publicly
7 available, within a reasonable time, and
8 stated in each solicitation for applications
9 made by the Administration.

10 “(iii) CONSIDERATIONS.—The criteria
11 required by this paragraph shall include—

12 “(I) the experience of the appli-
13 cant in conducting programs or ongo-
14 ing efforts designed to impart or up-
15 grade the business skills of current or
16 potential owners of Native American
17 small business concerns;

18 “(II) the ability of the applicant
19 to commence a project within a min-
20 imum amount of time;

21 “(III) the ability of the applicant
22 to provide training and services to a
23 representative number of Native
24 Americans;

1 “(IV) previous assistance from
2 the Small Business Administration to
3 provide services in Native American
4 communities; and

5 “(V) the proposed location for
6 the Native American business center
7 site, with priority given based on the
8 proximity of the center to the popu-
9 lation being served and to achieve a
10 broad geographic dispersion of the
11 centers.

12 “(6) PROGRAM EXAMINATION.—

13 “(A) IN GENERAL.—Each Native Amer-
14 ican business center established pursuant to
15 this subsection shall annually provide the Ad-
16 ministration with an itemized cost breakdown of
17 actual expenditures incurred during the pre-
18 ceding year.

19 “(B) ADMINISTRATION ACTION.—Based on
20 information received under subparagraph (A),
21 the Administration shall—

22 “(i) develop and implement an annual
23 programmatic and financial examination of
24 each Native American business center as-
25 sisted pursuant to this subsection; and

1 “(ii) analyze the results of each exam-
2 ination conducted under clause (i) to deter-
3 mine the programmatic and financial via-
4 bility of each Native American business
5 center.

6 “(C) CONDITIONS FOR CONTINUED FUND-
7 ING.—In determining whether to renew a grant,
8 contract, or cooperative agreement with a Na-
9 tive American business center, the
10 Administration—

11 “(i) shall consider the results of the
12 most recent examination of the center
13 under subparagraph (B), and, to a lesser
14 extent, previous examinations; and

15 “(ii) may withhold such renewal, if
16 the Administration determines that—

17 “(I) the center has failed to pro-
18 vide any information required to be
19 provided under subparagraph (A), or
20 the information provided by the center
21 is inadequate;

22 “(II) the center has failed to pro-
23 vide any information required to be
24 provided by the center for purposes of

1 the report of the Administration
2 under subparagraph (E); or

3 “(III) the information required to
4 be provided by the center is incom-
5 plete.

6 “(D) CONTINUING CONTRACT AND COOP-
7 ERATIVE AGREEMENT AUTHORITY.—

8 “(i) IN GENERAL.—The authority of
9 the Administrator to enter into contracts
10 or cooperative agreements in accordance
11 with this subsection shall be in effect for
12 each fiscal year only to the extent and in
13 the amounts as are provided in advance in
14 appropriations Acts.

15 “(ii) RENEWAL.—After the Adminis-
16 trator has entered into a contract or coop-
17 erative agreement with any Native Amer-
18 ican business center under this subsection,
19 it shall not suspend, terminate, or fail to
20 renew or extend any such contract or coop-
21 erative agreement unless the Administrator
22 provides the center with written notifica-
23 tion setting forth the reasons therefore and
24 affords the center an opportunity for a
25 hearing, appeal, or other administrative

1 proceeding under chapter 5 of title 5,
2 United States Code.

3 “(E) MANAGEMENT REPORT.—

4 “(i) IN GENERAL.—The Administra-
5 tion shall prepare and submit to the Com-
6 mittee on Small Business of the House of
7 Representatives and the Committee on
8 Small Business and Entrepreneurship of
9 the Senate an annual report on the effec-
10 tiveness of all projects conducted by Native
11 American business centers under this sub-
12 section and any pilot programs adminis-
13 tered by the Office of Native American Af-
14 fairs.

15 “(ii) CONTENTS.—Each report sub-
16 mitted under clause (i) shall include, with
17 respect to each Native American business
18 center receiving financial assistance under
19 this subsection—

20 “(I) the number of individuals re-
21 ceiving assistance from the Native
22 American business center;

23 “(II) the number of startup busi-
24 ness concerns formed;

1 “(III) the gross receipts of as-
2 sisted concerns;

3 “(IV) the employment increases
4 or decreases of Native American small
5 business concerns assisted by the cen-
6 ter since receiving funding under this
7 Act;

8 “(V) to the maximum extent
9 practicable, increases or decreases in
10 profits of Native American small busi-
11 ness concerns assisted by the center
12 since receiving funding under this Act;
13 and

14 “(VI) the most recent examina-
15 tion, as required under subparagraph
16 (B), and the subsequent determina-
17 tion made by the Administration
18 under that subparagraph.

19 “(7) ANNUAL REPORT.—Each entity receiving
20 financial assistance under this subsection shall annu-
21 ally report to the Administration on the services pro-
22 vided with such financial assistance, including—

23 “(A) the number of individuals assisted,
24 categorized by ethnicity;

1 “(B) the number of hours spent providing
2 counseling and training for those individuals;

3 “(C) the number of startup small business
4 concerns formed, maintained, and lost;

5 “(D) the gross receipts of assisted small
6 business concerns;

7 “(E) the number of jobs created, main-
8 tained, or lost at assisted small business con-
9 cerns; and

10 “(F) the number of Native American jobs
11 created, maintained, or lost at assisted small
12 business concerns.

13 “(8) RECORD RETENTION.—

14 “(A) APPLICATIONS.—The Administration
15 shall maintain a copy of each application sub-
16 mitted under this subsection for not less than
17 10 years.

18 “(B) ANNUAL REPORTS.—The Administra-
19 tion shall maintain copies of the information
20 collected under paragraph (6)(A) indefinitely.

21 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated ~~\$5,000,000~~ \$4,000,000
23 for each of the fiscal years 2003 through 2007, to carry
24 out the Native American Small Business Development
25 Program, authorized under subsection (c).”.

1 **SEC. 3. PILOT PROGRAMS.**

2 (a) DEFINITIONS.—In this section:

3 (1) INCORPORATION BY REFERENCE.—The
4 terms defined in section 36(a) of the Small Business
5 Act (as added by this Act) have the same meanings
6 as in that section 36(a) when used in this section.

7 ~~(2) ADMINISTRATOR.—The term “Adminis-~~
8 ~~trator” means the Administrator of the Small Busi-~~
9 ~~ness Administration.~~

10 ~~(3) JOINT PROJECT.—The term “joint project”~~
11 ~~means the combined resources and expertise of 2 or~~
12 ~~more distinct entities at a physical location dedi-~~
13 ~~cated to assisting the Native American community;~~

14 ~~(2) ADMINISTRATION.—The term “Administra-~~
15 ~~tion” means the Small Business Administration.~~

16 (b) NATIVE AMERICAN DEVELOPMENT GRANT PILOT
17 PROGRAM.—

18 (1) AUTHORIZATION.—

19 (A) IN GENERAL.—There is established a
20 4-year pilot program under which the Adminis-
21 tration is authorized to award Native American
22 development grants to provide culturally-tai-
23 lored business development training and related
24 services to Native Americans and Native Amer-
25 ican small business concerns.

1 (B) ELIGIBLE ORGANIZATIONS.—The
 2 grants authorized under subparagraph (A) may
 3 be awarded to—

4 (i) any small business development
 5 center; or

6 (ii) any private, nonprofit organization
 7 that—

8 ~~(I) has tribal government mem-~~
 9 ~~bers, or their designees, comprising a~~
 10 ~~majority of its board of directors;~~

11 *(I) is permitted by the tribal gov-*
 12 *ernment to provide technical assistance*
 13 *to small business concerns within the*
 14 *jurisdiction of the tribe;*

15 (II) is a Native Hawaiian organi-
 16 zation; or

17 (III) is an Alaska Native cor-
 18 poration.

19 (C) AMOUNTS.—The Administration shall
 20 not award a grant under this subsection in an
 21 amount which exceeds \$100,000 for each year
 22 of the project.

23 (D) GRANT DURATION.—Each grant under
 24 this subsection shall be awarded for not less

1 than a 2-year period and not more than a 4-
2 year period.

3 *(E) PAIRED DISBURSEMENT.—*

4 *(i) IN GENERAL.—The Administration*
5 *shall award the same number of Native*
6 *American development grants under this*
7 *subsection to eligible organizations under*
8 *subparagraph (B)(i) as those awarded to el-*
9 *igible organizations under subparagraph*
10 *(B)(ii).*

11 *(ii) DISBURSEMENT.—The initial dis-*
12 *bursement of financial assistance under this*
13 *subsection to each eligible organization*
14 *under clause (i) or (ii) of subparagraph (B)*
15 *shall coincide with a similar disbursement*
16 *to an eligible organization representing the*
17 *other classification under subparagraph*
18 *(B).*

19 *(iii) PROVISIONAL APPROVAL.—Not-*
20 *withstanding clauses (i) and (ii) of this*
21 *subparagraph, the Administration may pro-*
22 *visionally approve an application from an*
23 *eligible organization under clause (i) or (ii)*
24 *of subparagraph (B), with final approval*
25 *pending until the receipt and approval of*

1 *an application from an eligible organiza-*
2 *tion from the other classification of eligible*
3 *organization under subparagraph (B).*

4 (2) CONDITIONS FOR PARTICIPATION.—Each
5 entity desiring a grant under this subsection shall
6 submit an application to the Administration that
7 contains—

8 (A) a certification that the applicant—

9 (i) is a small business development
10 center or a private, nonprofit organization
11 under paragraph (1)(B)(i);

12 (ii) employs a full-time executive di-
13 rector or program manager to manage the
14 facility; and

15 (iii) agrees—

16 (I) to a site visit as part of the
17 final selection process;

18 (II) to an annual programmatic
19 and financial examination; and

20 (III) to the maximum extent
21 practicable, to remedy any problems
22 identified pursuant to that site visit or
23 examination;

24 (B) information demonstrating that the
25 applicant has the ability and resources to meet

1 the needs, including cultural needs, of the Na-
2 tive Americans to be served by the grant;

3 (C) information relating to proposed assist-
4 ance that the grant will provide, including—

5 (i) the number of individuals to be as-
6 sisted; and

7 (ii) the number of hours of counseling,
8 training, and workshops to be provided;

9 (D) information demonstrating the effec-
10 tive experience of the applicant in—

11 (i) conducting financial, management,
12 and marketing assistance programs de-
13 signed to impart or upgrade the business
14 skills of current or prospective Native
15 American business owners;

16 (ii) providing training and services to
17 a representative number of Native Ameri-
18 cans;

19 (iii) using resource partners of the
20 Administration and other entities, includ-
21 ing universities, tribal governments, or
22 tribal colleges; and

23 (iv) the prudent management of fi-
24 nances and staffing;

1 (E) the location where the applicant will
2 provide training and services to Native Ameri-
3 cans; and

4 (F) a multiyear plan, corresponding to the
5 length of the grant, that describes—

6 (i) the number of Native Americans
7 and Native American small business con-
8 cerns to be served by the grant;

9 (ii) in the continental United States,
10 the number of Native Americans to be
11 served by the grant *on or near tribal lands*;
12 and

13 (iii) the training and services to be
14 provided to a representative number of Na-
15 tive Americans.

16 (3) REVIEW OF APPLICATIONS.—The Adminis-
17 tration shall—

18 (A) evaluate and rank applicants under
19 paragraph (2) in accordance with predeter-
20 mined selection criteria that is stated in terms
21 of relative importance;

22 (B) include such criteria in each solicita-
23 tion under this subsection and make such infor-
24 mation available to the public; and

1 (C) approve (*at least on a provisional basis*
2 *under paragraph (1)(E)(iii)*) or disapprove each
3 completed application submitted under this sub-
4 section not more than 60 days after submission.

5 (4) ANNUAL REPORT.—Each recipient of a Na-
6 tive American development grant under this sub-
7 section shall annually report to the Administration
8 on the impact of the grant funding, including—

9 (A) the number of individuals assisted, cat-
10 egorized by ethnicity;

11 (B) the number of hours spent providing
12 counseling and training for those individuals;

13 (C) the number of startup small business
14 concerns formed, maintained, and lost;

15 (D) the gross receipts of assisted small
16 business concerns;

17 (E) the number of jobs created, main-
18 tained, or lost at assisted small business con-
19 cerns; and

20 (F) the number of Native American jobs
21 created, maintained, or lost at assisted small
22 business concerns.

23 (5) RECORD RETENTION.—

24 (A) APPLICATIONS.—The Administration
25 shall maintain a copy of each application sub-

1 mitted under this subsection for not less than
2 10 years.

3 (B) ANNUAL REPORTS.—The Administra-
4 tion shall maintain copies of the information
5 collected under paragraph (4) indefinitely.

6 ~~(c) AMERICAN INDIAN TRIBAL ASSISTANCE CENTER~~
7 ~~GRANT PILOT PROGRAM.—~~

8 ~~(1) AUTHORIZATION.—~~

9 ~~(A) IN GENERAL.—~~There is established a
10 ~~4-year pilot program, under which the Adminis-~~
11 ~~tration shall award not less than 3 American~~
12 ~~Indian Tribal Assistance Center grants to es-~~
13 ~~tablish joint projects to provide culturally tai-~~
14 ~~lored business development assistance to pro-~~
15 ~~spective and current owners of small business~~
16 ~~concerns located on or near tribal lands.~~

17 ~~(B) ELIGIBLE ORGANIZATIONS.—~~

18 ~~(i) CLASS 1.—~~Not fewer than 1 grant
19 ~~shall be awarded to a joint project per-~~
20 ~~formed by a Native American business cen-~~
21 ~~ter, a Native American business develop-~~
22 ~~ment center, and a small business develop-~~
23 ~~ment center.~~

24 ~~(ii) CLASS 2.—~~Not fewer than 2
25 ~~grants shall be awarded to joint projects~~

1 performed by a Native American business
2 center and a Native American business de-
3 velopment center.

4 (C) AMOUNTS.—The Administration shall
5 not award a grant under this subsection in an
6 amount which exceeds \$200,000 for each year
7 of the project.

8 (D) GRANT DURATION.—Each grant under
9 this subsection shall be awarded for a 3-year
10 period.

11 (2) CONDITIONS FOR PARTICIPATION.—Each
12 entity desiring a grant under this subsection shall
13 submit to the Administration a joint application that
14 contains—

15 (A) a certification that each participant of
16 the joint application—

17 (i) is either a Native American Busi-
18 ness Center, a Native American Business
19 Development Center, or a Small Business
20 Development Center;

21 (ii) employs a full-time executive di-
22 rector or program manager to manage the
23 center; and

1 (iii) as a condition of receiving the
2 American Indian Tribal Assistance Center
3 grant, agrees—

4 (I) to an annual programmatic
5 and financial examination; and

6 (II) to the maximum extent prac-
7 ticable, to remedy any problems iden-
8 tified pursuant to that examination;

9 (B) information demonstrating a historic
10 commitment to providing assistance to Native
11 Americans—

12 (i) residing on or near tribal lands; or

13 (ii) operating a small business concern
14 on or near tribal lands;

15 (C) information demonstrating that each
16 participant of the joint application has the abil-
17 ity and resources to meet the needs, including
18 the cultural needs of the Native Americans to
19 be served by the grant;

20 (D) information relating to proposed as-
21 sistance that the grant will provide, including—

22 (i) the number of individuals to be as-
23 sisted; and

24 (ii) the number of hours of counseling,
25 training, and workshops to be provided;

1 ~~(E)~~ information demonstrating the effective
2 experience of each participant of the joint
3 application in—

4 (i) conducting financial, management,
5 and marketing assistance programs, as described above,
6 designed to impart or upgrade the business skills of current or
7 prospective Native American business owners;
8 and
9 and

10 (ii) the prudent management of finances and staffing; and

11 ~~(F)~~ a plan for the length of the grant, that
12 describes—

13 (i) the number of Native Americans
14 and Native American small business concerns to be served by the grant; and
15 and
16 and

17 (ii) the training and services to be
18 provided.

19 ~~(3)~~ REVIEW OF APPLICATIONS.—The Administration shall—

20 ~~(A)~~ evaluate and rank applicants under
21 paragraph ~~(2)~~ in accordance with predetermined selection criteria that is stated in terms
22 of relative importance;
23 and
24 and

1 (B) include such criteria in each sollicita-
2 tion under this subsection and make such infor-
3 mation available to the public; and

4 (C) approve or disapprove each application
5 submitted under this subsection not more than
6 60 days after submission.

7 (4) ANNUAL REPORT.—Each recipient of an
8 American Indian tribal assistance center grant
9 under this subsection shall annually report to the
10 Administration on the impact of the grant funding
11 received during the reporting year, and the cumu-
12 lative impact of the grant funding received since the
13 initiation of the grant, including—

14 (A) the number of individuals assisted, cat-
15 egorized by ethnicity;

16 (B) the number of hours of counseling and
17 training provided and workshops conducted;

18 (C) the number of startup business con-
19 cerns formed, maintained, and lost;

20 (D) the gross receipts of assisted small
21 business concerns;

22 (E) the number of jobs created, main-
23 tained, or lost at assisted small business con-
24 cerns; and

1 ~~(F)~~ the number of Native American jobs
 2 created, maintained, or lost at assisted small
 3 business concerns.

4 ~~(5)~~ RECORD RETENTION.—

5 ~~(A)~~ APPLICATIONS.—The Administration
 6 shall maintain a copy of each application sub-
 7 mitted under this subsection for not less than
 8 10 years.

9 ~~(B)~~ ANNUAL REPORTS.—The Administra-
 10 tion shall maintain copies of the information
 11 collected under paragraph (4) indefinitely.

12 ~~(d)~~ AUTHORIZATION OF APPROPRIATIONS.—There
 13 are authorized to be appropriated—

14 ~~(1)~~ \$1,000,000 for each of the fiscal years 2003
 15 through 2006, to carry out the Native American De-
 16 velopment Grant Pilot Program, authorized under
 17 subsection (b); and

18 ~~(2)~~ \$1,000,000 for each of the fiscal years 2003
 19 through 2006, to carry out the American Indian
 20 Tribal Assistance Center Grant Pilot Program, au-
 21 thorized under subsection (c).

22 ~~(c)~~ AUTHORIZATION OF APPROPRIATIONS.—*There are*
 23 *authorized to be appropriated to carry out the Native Amer-*
 24 *ican Development Grant Pilot Program, authorized under*
 25 *subsection (b)—*

1 (1) \$1,000,000 for each of the fiscal years 2003
2 through 2006, for grants to eligible organizations
3 under subsection (b)(1)(B)(i); and

4 (2) \$1,000,000 for each of the fiscal years 2003
5 through 2006, for grants to eligible organizations
6 under subsection (b)(1)(B)(ii).

Calendar No. 545

107TH CONGRESS
2D SESSION

S. 2335

[Report No. 107-236]

A BILL

To establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

AUGUST 1, 2002

Reported with amendments